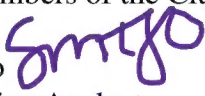


REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: April 24, 2020

TO: Honorable Members of the City Council

FROM: Sharon M. Tso 
Chief Legislative Analyst

Council File No.	20-0147-S39
Assignment No.	20-03-0353
	20-03-0355
	20-03-0356

Summary of Federal and State Response to COVID-19 Assistance for Small Business and Preliminary Industry Gap Analysis

SUMMARY

At the March 27, 2020 City Council meeting, various members directed staff to provide information concerning recently enacted Federal legislation and State actions in response to the COVID-19 pandemic. This report provides a summary of these actions and is separated into four parts as follows:

1. Overview of Federal Legislation and Stimulus
2. Overview of State Funding and Executive Orders
3. Federal and State Funds relative to Small Business; Verbal Motion (Martinez-Krekorian)
4. Federal and State Funds relative to Industry and Gap Analysis; Verbal Motion (Rodriguez-O'Farrell)

As the COVID-19 pandemic continues to evolve, additional Federal and State actions emerge daily. The information identified in this report reflect matters that staff have been monitoring and coordinating with City departments with the goal of enhancing certain City services and programs. Funding allocations from the federal government, particularly the Community Development Block Grant, Emergency Solutions Grant, and supplemental funding from the State for homelessness are key areas that will require immediate attention in determining how best to allocate these funds since funding availability is expected by the end of April-early May 2020. As Congressional leaders are already considering another stimulus bill to follow the Coronavirus Aid, Relief, and Economic Security Act (CARES) Act, our Office recommends that the Office of the City Administrative Officer review and track federal funding to ensure that all departments seek reimbursement and apply for grant opportunities. In addition, it is critical that departments, such as the Housing and Community Investment Department and the Economic and Workforce Development Department, have adequate staffing resources to deploy these emergency funds and remain responsive to the needs of City.

RECOMMENDATIONS

That the City Council:

1. Instruct the Chief Legislative Analyst, with the assistance of the Housing and Community Investment Department and City Administrative Officer, to develop a process to allocate supplemental COVID-19 Recovery federal funds, such as the Community Development Block Grant and Emergency Solutions Grant, to ensure that priority services areas are addressed;
2. Instruct the Housing and Community Investment Department and the Economic and Workforce Development Department to report on appropriate staffing needs to manage supplemental Federal and State funding to ensure the execution of contracts and agreements with local agencies and non-profit organizations; and,
3. Instruct the City Administrative Officer, with the assistance of the Chief Legislative Analyst, to review and track federal funding to ensure that all applicable City departments seek COVID-19 related reimbursements, as well as to apply for future grant opportunities.

PART 1

OVERVIEW OF FEDERAL LEGISLATION AND STIMULUS

In response to the COVID-19 pandemic, the Federal government has passed a series of legislative bills that provide emergency funding to support the country's residents, infrastructure and industries. These bills are:

- The Coronavirus Preparedness and Response Supplemental Appropriations Act (CPRSAA) (H.R. 6074), signed into law on March 6, 2020, that addresses COVID-19 response efforts and provides \$8.3 billion in funding;
- Families First Coronavirus Response Act (FFCRA) (H.R. 6201), signed into law on March 18, 2020, that addresses employment concerns during the crisis and provides funding opportunities; and
- The Coronavirus Aid, Relief, and Economic Security Act (CARES) Act (H.R. 748), signed into law on March 25, 2020, that addresses the economic downturn in light of the accelerating crisis and provides \$2.3 trillion in funding.

Contained within these bills are numerous funding opportunities that the City will receive through a formula process or a subsequent grant application. Please note that the CARES Act also includes an estimated \$300 billion in direct payments to eligible taxpayers, which is known as the Recovery Rebate. Eligible taxpayers are anticipated to receive funds starting April 2020. Attachment 1 of this report provides specific details of Federal funding opportunities that are available to the City. Below is a short summary of important funding allocations:

Economic Stabilization and Business Support

Community Development Block Grant: \$5 billion for the Community Development Block Grant (CDBG) Program. CDBG funds may be used for public projects that benefit the development of a viable urban community. The Housing and Urban Development Department (HUD) has

additionally advised that, during the crisis, funds may be used to acquire, construct, or adapt facilities into testing and medical sites; provide funds to businesses in dire need; increase necessary public services; and plan activities. HUD must allocate the funds within 30 days of enactment of the bill. The City's COVID Recovery award amount is \$31,963,374.

Housing and Homelessness

Emergency Solutions Grant Program: \$4 billion for the Emergency Solutions Grant (ESG) Program. ESG funds can be used for preventing, preparing for, and responding to COVID-19 among individuals and families who are homeless or receiving homeless assistance and homelessness prevention activities. These funds may be used to cover or reimburse allowable costs incurred by States/local governments to prevent, prepare for, and respond to COVID-19 incurred prior to enactment of this measure. ESG funds are usually transferred to the Los Angeles Homeless Services Authority per the Joint Powers Agreement with the County of Los Angeles. The City's COVID Recovery award amount is \$16,167,303.

Housing Opportunities for Persons With Aids (HOPWA): \$65 million for the HOPWA program, which serves low-income, HIV-positive individuals, who comprise a high-risk group for COVID-19 infection. The funds may be used to support short-term emergency rent, mortgage, and utility assistance services. The City's COVID Recovery award amount is \$2,883,240, while the competitive grant amount is \$167,434.

Section 8 Tenant-Based Rental Assistance: \$1.25 billion for tenant-based rental assistance to help public housing agencies maintain normal operations and take other necessary actions to respond to COVID-19. These funds will be distributed based on need, as determined by the HUD Secretary.

Aging and Disability Services Programs: \$955 million for the Department of Health and Human Services' (HHS) Administration for Community Living, Aging and Disability Services Programs, which includes funding to State and local governments for aging and disability services programs. Senior nutrition; home and community-based supportive services; family caregivers; elder justice; and independent living are applicable activities. These funds will be disbursed at the direction of the HHS, under the authorizations of the Older Americans Act of 1965.

Section 202 Housing for the Elderly: \$50 million in Section 202 funding, which could be used to provide rent subsidies and home rehabilitation services for very low-income elderly persons. These funds will be disbursed by the Section 202 formula.

Section 811 Housing for Persons with Disabilities: \$15 million for very low-income and extremely low-income residents with disabilities. Funds could be used for rental assistance and health services. These funds will be disbursed by the Section 811 formula.

Emergency Response

Coronavirus Relief Fund: \$150 billion for necessary expenditures incurred due to the public health emergency with respect to COVID-19. Each State receives a prorated portion of \$139 billion (California is estimated to receive \$15.3 billion). Forty-five percent of total funding goes to units of local government with a population of over 500,000, which includes the City. Grant funding is available through an application process, which was submitted by the April 17, 2020 due date.

PART 2

OVERVIEW OF STATE FUNDING AND EXECUTIVE ORDERS

State efforts to address COVID-19 have largely been effectuated through several emergency funding allocations and executive orders. The Governor has also taken a role in negotiating relief for families with major financial institutions and facilitating federal assistance.

The State Legislature addressed several issues arising from the COVID-19 pandemic through legislation. As the deadline for introduction of bills passed on February 21, 2020, previously introduced bills have been amended to facilitate these solutions. The intent of the Legislature is to provide additional funding through the State's annual budget process (May Revise). The State has largely leveraged federal funding to provide assistance to families, business, and healthcare professionals.

On March 17, 2020, the State Legislature approved SB 89, which was signed by the Governor, to provide up to \$1 billion dollars in funding to address the COVID-19 pandemic. The State has made three allocations of these funds, which were directed toward homeless services, medical services, and increased funding for safety net programs. The Governor has also made available additional State funds from the Disaster Response-Emergency Operations Account for the purchase of personal protective equipment and other medical equipment. Attachment 2 provides specific details of the State funding and Executive Orders.

PART 3

FEDERAL AND STATE FUNDS RELATIVE TO SMALL BUSINESS

The following programs have been created through the CARES Act to aid small businesses and non-profits negatively impacted by COVID-19. Additional information is available in Attachments 1 and 2.

Please note that on April 23, 2020, the House passed H.R. 266, the Paycheck Protection Program and Health Care Enhancement Act, which was passed by the Senate on April 21, 2020. This is the fourth legislative measure taken by Congress in response to the pandemic and is referred to as the "COVID 3.5" interim bill. COVID 3.5 will provide additional funding for hospitals and COVID-19 testing, as well as \$380 billion to replenish certain Small Business Administration (SBA) programs that were exhausted within 13 days of being released.

Paycheck Protection Program

The Paycheck Protection Program (PPP) provides small businesses and private non-profit organizations that were in operation before February 15, 2020 with low-interest loans to pay Payroll Costs for an eight-week period after the origination of the PPP application. Payroll Costs include employee compensation; payments for vacation, parental, family, medical, or sick leave; severance payments; group health care benefits and insurance premiums; retirement benefits; and State and local taxes. Commissions are included for self-employed and independent contractors. Payroll Costs do not include compensation to employees in excess of \$100,000 and excludes employees outside of the United States. The loan proceeds may be used to pay payroll costs,

mortgage interest, rent, and interest on pre-existing loans. The covered period is February 15, 2020 through June 30, 2020.

The eligibility criteria for the PPP are as follows:

- Any small business concern that meets the SBA size standards (either the industry based sized standard or the alternative size standard)
- Any business, 501(c)(3) non-profit organization, 501(c)(19) veterans organization, or Tribal business concern (sec. 31(b)(2)(C) of the Small Business Act with:
 - Less than 500 employees, or
 - That meets the SBA industry size standard if more than 500
- Any business with a North American Industry Classification System (NAICS) Code that begins with 72 (Accommodations and Food Services) that has more than one physical location and employs less than 500 per location
- Sole proprietors, independent contractors, and self-employed persons

The SBA's affiliation rules are waived for businesses in the hospitality and restaurant industries, franchises approved by the SBA, and small businesses that receive financing through a Small Business Investment Company.

The maximum loan amount a small business can apply for under the PPP is the lesser of: (i) 2.5 times the average total monthly Payroll Costs for the prior year or (ii) \$10 million. Under the PPP, 75 percent of the proceeds must go toward Payroll Costs and 25 percent toward other capital expenses. An applicant who is a recipient of an Economic Injury Disaster Loan (EIDL) made after January 31, 2020, may receive a loan under PPP for purposes other than what was borrowed under the EIDL to prevent "double dipping" of loan proceeds. The interest rate on a PPP is one percent, and payments of principal, interest, and fees will be deferred for at least six months, but not more than one year. The loan also has a maturity of two years and an interest rate of one percent. Forgiveness is based on the employer maintaining or quickly re-hiring employees and maintaining salary levels. Forgiveness will be reduced if full-time headcount declines, or if salaries and wages decrease.

Economic Injury Disaster Loan (EIDL)

The EIDL provides small businesses with low interest loans for working capital as a result of substantial economic injury due to COVID-19. A "substantial economic injury" results when a small business is unable to meet its financial obligations, pay ordinary and necessary operating expenses, or has a reduction in working capital. The covered period is from January 31, 2020 through December 31, 2020.

An EIDL is available to any small business or private non-profit organization with less than 500 employees and meets the SBA's Size Standard (either the industry based sized standard or the alternative size standard). If a small business has not complied with a previous SBA loan, they are not eligible for the program. The SBA aggregates and reviews the applicant and all its affiliates as one entity. The SBA will consider whether ownership, ownership options, and changes of legal

structure, management, identity of interest, and licensing agreements are tied to the small business applicant.

A small business may apply for an EIDL of up to \$2,000,000 of which proceeds may be used to pay fixed debts, payroll, accounts payable, and other bills that cannot be paid because of the impacts of COVID-19. The EIDL cannot carry an interest rate higher than 3.75 percent for businesses and 2.75 percent for non-profits. An EIDL applicant can request an initial \$10,000, payable in three days once an application is filed. In the event an EIDL is denied, the advanced funds do not need to be returned.

SBA Express Bridge Loans

The SBA Express Bridge Loans provide small businesses who already have a business relationship with an SBA Express Lender to access up to \$25,000 in a very short time. The Bridge Loans can be structured as term loans or used to bridge the gap while applying for an SBA Economic Injury Disaster Loan. This allows small businesses quick access to cash while waiting for an EIDL to be processed and can be re-paid in full or in part by the proceeds from the EIDL loan.

Small Business Debt Relief

The SBA is also providing financial reprieve to small business owners as a result of COVID-19 by automatically paying the principal, interest, and fees of current small business loans (such as the 7(a) and 504 programs) for a period of six months. The SBA will also automatically pay the principal, interest, and fees of new small business loans and microloans issued prior to September 27, 2020.

Small businesses with current SBA Serviced Disaster (Home and Business) Loans that were in regular servicing status on March 1, 2020, are eligible for automatic deferments through December 31, 2020. Interest will continue to accrue on the loan, and the applicant will receive regular Form 1201 monthly payment notices that will reflect the loan has been deferred and no payment is due at the time. Borrowers that have established automatic pre-authorized payments on their loans will need to contact their SBA servicing officer to cancel the automatic payments. Borrowers do have the option of continuing to make payments on their loans which will be applied normally. At the end of this deferment period, borrowers are required to resume making regular payments on their loans and re-establish automatic payments if they choose to have them in place.

PART 4

FEDERAL AND STATE FUNDS RELATIVE TO INDUSTRY AND GAP ANALYSIS

In response to verbal Motion (Rodriguez-O'Farrell; Council File 20-0147-S39) our Office has prepared the following analysis of assistance provided to specific industries in the federal government response to the COVID-19 pandemic, which is primarily found in the CARES Act (H.R. 748). Currently, the State response does not provide industry-specific financial assistance. At the end of this section, there is an analysis of gaps in assistance and recommendations for how the City could provide resources to fill these gaps. Additional information is available in Attachments 1 and 2.

While most of the provisions in the CARES Act are not directed at industries specifically, certain industries do receive additional benefits:

Airlines (\$61 billion)

- Of the \$500 billion allocated to the Economic Stabilization Fund, \$29 billion is dedicated to the airline industry in loan and loan guarantees:
 - \$25 billion for passenger air carriers, eligible businesses that provide inspection, repair, replace, or overhaul services, and ticket agents; and
 - \$4 billion for cargo air carriers.
- Airlines are additionally granted \$32 billion:
 - \$25 billion for U.S. passenger air carriers;
 - \$4 billion for U.S. cargo air carriers;
 - \$3 billion for “contractors” defined as any person that performs functions on the property of an airport that are directly related to air transportation (e.g., loading and unloading property, security, airport ticketing or aircraft sanitization) or catering functions, in either case pursuant to a contract with a U.S. passenger air carrier.
- Suspension of commercial air and kerosene excise taxes, reducing the cost of air travel for consumers and lowering costs for airlines.

National Security Industries (\$17 billion)

- Of the \$500 billion allocated to the Economic Stabilization Fund, \$17 billion is dedicated for loans and loan guarantees to critical national security businesses. The term “national security business” was not defined in the act, nor were any further details provided. It has been reported that this funding is reserved for Boeing and other defense contractors.

Hospitality Industry (portion of the \$349 billion Paycheck Protection Program)

- Most borrowers are required to have 500 or fewer employees to qualify for loans. Businesses in certain industries may have more than 500 employees if they meet the SBA’s size standards for those industries.
- The Hospitality Industry is eligible to receive Paycheck Protection Program loans if they employ not more than 500 employees per each physical location and are assigned a NAICS code beginning with 72 (“accommodation and food services”). This provision enables more hospitality businesses to qualify.
- Listing of business types in NAICS 72 (summarized):
 - Accommodation
 - Hotels
 - Motels
 - Bed-Breakfasts
 - RV Parks/Recreational Camps
 - Food Services
 - Caterers
 - Restaurants
 - Bars

Our Office is providing a report under separate cover outlining specific benefits to the restaurant industry.

Fishing Industry (\$300 million)

- Those eligible for relief must have revenue losses greater than 35 percent as compared to the prior 5-year average revenue, or any negative impacts to subsistence, cultural, or ceremonial fisheries. The Department of Commerce will be responsible for allocating funding.

Healthcare Industry (\$100 billion)

- The Public Health and Social Services Emergency Fund provides the Secretary of Health and Human Services with broad discretion to provide assistance to “eligible health care providers,” defined as entities who provide “diagnoses, testing, or care for individuals with possible or actual cases of COVID-19.” The statute, however, left unclear how the money would be spent.
- Hospitals can apply for money for a range of coronavirus-related expenses, including construction of temporary structures and medical supplies.
- Funding would also be used to reimburse hospitals who treat uninsured COVID-19 patients.
- It is unknown if the federal government would reimburse care provided to undocumented immigrants.

Gap Analysis

In reviewing the federal and State stimulus actions in response to COVID-19, several gaps in coverage were identified.

501c(6) organizations ineligible for Paycheck Protection Program

- Organizations including trade associations, tourism organizations (including the Los Angeles Tourism & Convention Board), chambers of commerce, real estate boards, and boards of trade cannot access the forgivable loan program.
- The Los Angeles Tourism & Convention Board (LATCB) is the City’s tourism and marketing agency and is responsible for encouraging visitation to Los Angeles.
 - LATCB currently receives 86 percent of its total revenues from hotel related taxes and assessments. Of that 86 percent, LATCB receives 40 percent of its funding from its contract with the City, which provides one percentage point of the City’s 14 percent Transient Occupancy Tax (TOT).
 - Due to the precipitous drop in hotel stays, LATCB is facing substantial revenue loss, which has resulted in the postponement and/or cancellation of programming and an immediate reduction of 68 percent of staff.
 - Assuming no expenditures on programming, LATCB has operating cash to sustain five additional months.
- 501c(6) organizations do have access to the Small Business Administration Economic Injury Disaster Loan, which has less favorable terms compared to the Paycheck Protection Program.

Cannabis Industry Ineligible for Federal Relief

- Cannabis remains a Schedule I drug at the federal level, which prevents the industry from participating in any of the CARES Act programs.
- The industry is eligible to apply for State small business loans, however, these loans are not as beneficial as the federal loans.

Mortgage Loans Not Backed by Freddie Mac and Fannie Mae

- The CARES Act provides homeowners with mortgages backed by the federal government with a foreclosure moratorium and the right to forbearance for those experiencing a financial hardship due to the COVID-19 pandemic.
- One-third of the nation's mortgages are not federally backed, and do not have access to these benefits. Some banks are offering borrowers in this group with a variety of benefits, but they are not uniform and many borrowers could be left out.

Assistance for Undocumented Individuals

- The CARES Act provides for the issuance of an advanced Recovery Rebate to help taxpayers recover from the economic impacts of the coronavirus crisis. The maximum rebate amount is \$1,200 for individuals, \$2,400 for taxpayers filing taxes jointly, and \$500 per child under 17 years of age. However, the Recovery Rebate requires a Social Security number and individuals must not be a "non-resident alien" for tax purposes.
- The FFCRA and the CARES Act make significant changes to unemployment insurance (UI) programs, but will likely exclude many undocumented residents from this program. To receive regular unemployment insurance benefits, individuals must be work-authorized at the time they file for benefits and during the entire period they are receiving benefits. Individuals are required to have a valid work permit or an immigration status that allows them to work to receive regular unemployment insurance.
- On April 2, 2020, the State announced an allocation of \$50 million to the California Infrastructure and Economic Development Bank for loan guarantees to small businesses to help eliminate barriers to capital for individuals who do not qualify for federal funds, including low wealth and undocumented immigrant communities.
- On April 13, 2020, the Mayor's Office, in coordination with the Housing and Community Investment Department, announced a new program to provide debit cards with \$700, \$1,100, or \$1,500 for residents with incomes below the poverty line prior to the Safer at Home orders, as well as those individuals who suffer from reduced work hours or income that has been reduced by at least 50 percent. The cards will be available to people regardless of citizenship status.

Our Office is providing a report under separate cover concerning recent Federal legislation and its application towards undocumented individuals.

FISCAL IMPACT

There is no fiscal impact on the General Fund. This report is for informational purposes.

Attachments:

Attachment 1 Federal Funding Categories – CARES Act (H.R. 748)

Attachment 2 Summary of State Funding and Executive Orders

ATTACHMENT 1

FEDERAL FUNDING CATEGORIES – CARES ACT (H.R. 748)

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ECONOMIC STABILIZATION AND BUSINESS SUPPORT

Economic Stabilization Fund (\$500B)	
Title	Economic Stabilization Fund
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of the Treasury
Background/ Summary	\$500B for the Treasury Department to provide secured loans to U.S. businesses, States, tribes, and municipalities or to fund liquidity assistance through the Federal Reserve, in support of businesses, States, tribes, and municipalities that have not already received economic relief through any other loan provided under the bill.
Total Amount	\$500 billion
City Amount	By request
Allocation Formula	By request; no explicit allocation split has been published.
Methodology on Receiving Funds from Responsible Agency	Application for loan or direct purchase of debt obligations or securities.
Limitations/ Repayment Obligations	Loan repayment (numerous obligations for corporations accepting loans)
Timing of Receipt of Funds	Loan requests must be made by 12/31/2020
Deadlines for Expenditures	Five-year maximum loan period
Appropriate Administrating City Department	TBD
Eligible Uses for Funds Received by City	Acquire secured loans to fund liquidity assistance through the Federal Reserve during the COVID-19 crisis.
How City Will Allocate Funds	TBD

Paycheck Protection Program (\$349B)

Title	Paycheck Protection Program
Bill	CARES Act (H.R. 748)
Responsible Agency	Small Business Administration
Background/ Summary	\$349B in new loan authority to provide loans of up to \$10 million to small businesses impacted by COVID-19 (including non-profits) with fewer than 500 employees. Borrowers must use the funds to retain workers and maintain payroll or make mortgage payments, lease payments, and utility payments. Loans may be forgiven in whole or in part based on the number of employees and their salary levels that are maintained. The forgiven amounts will not be taxable.
Total Amount	\$349 billion
City Amount	None; fund distributed to businesses by individual application.
Allocation Formula	By application.
Methodology on Receiving Funds from Responsible Agency	By application.
Limitations/ Repayment Obligations	Loan repayment, deferred by 6 months. Some loan forgiveness is allowable depending on the size of the business.
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	6/30/2020
Appropriate Administrating City Department	None; fund distributed to businesses by individual application.
Eligible Uses for Funds Received by City	Provide loans of up to \$10 million to small businesses impacted by COVID-19 (including non-profits) with fewer than 500 employees. Borrowers must use the funds to retain workers and maintain payroll or make mortgage payments, lease payments, and utility payments.
How City Will Allocate Funds	None; fund distributed to businesses by individual application.

Emergency Economic Injury Disaster Grants (\$10B)

Title	Emergency Economic Injury Disaster Grants
Bill	CARES Act (H.R. 748)
Responsible Agency	Small Business Administration
Background/ Summary	\$10B in advances of \$10,000 for small businesses and nonprofits applying for SBA Economic Injury Disaster (EID) Grants; an additional \$562M is available for Loans. The grants will be provided within 3 days of applying for the EID loans. The grants do not have to be repaid even if the EID loan is denied. \$17B will additionally be available to provide debt relief for 6 months for new or existing borrowers under certain SBA programs, including SBA 7(a), 504 or microloans. The SBA debt relief will cover principal interest and fees.
Total Amount	\$10.562 billion (+ \$17 billion in debt relief)
City Amount	None; fund distributed to businesses by individual application.
Allocation Formula	\$10,000 advances to individual small business applicants
Methodology on Receiving Funds from Responsible Agency	Application
Limitations/ Repayment Obligations	\$10,000 will be provided to applicants within 3 days of applying, and grants do not have to be repaid even if the EID loan is denied.
Timing of Receipt of Funds	Within 3 days of application.
Deadlines for Expenditures	9/30/2020
Appropriate Administrating City Department	None; fund distributed to businesses by individual application.
Eligible Uses for Funds Received by City	Advances of \$10,000 for small businesses and nonprofits applying for SBA Economic Injury Disaster (EID) Loans
How City Will Allocate Funds	None; fund distributed to businesses by individual application.

Community Development Block Grant (\$5B)

Title	Community Development Block Grant (CDBG)
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Housing and Urban Development (HUD)
Background/ Summary	The CDBG Program develops viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for low- and moderate-income persons.
Total Amount	\$5 billion
City Amount	\$31,963,374 (as of 4/3/20)
Allocation Formula	\$1B directly to States; \$2B to States and local governments distributed through the regular program formula; \$2B to States and local governments via a new formula to be developed by HUD based on need.
Methodology on Receiving Funds from Responsible Agency	Endowment
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	May 2020
Deadlines for Expenditures	9/30/2020
Appropriate Administrating City Department	Housing and Community Investment Department (HCIDLA)
Eligible Uses for Funds Received by City	CDBG funds are to be used to prevent, prepare, and respond to COVID-19. HUD has additionally advised that, during the crisis, funds may be used to acquire, construct or adapt facilities into testing and medical sites; providing funds to businesses in dire need; increasing necessary public services; and planning activities.
How City Will Allocate Funds	TBD

EDA Economic Adjustment Assistance Program (\$1.5B)

Title	EDA Economic Adjustment Assistance Program (\$1.5B)
Bill	CARES Act (H.R. 748)
Responsible Agency	Economic Development Administration (EDA)
Background/ Summary	\$1.5B to assist state and local entities with a wide range of technical, planning, and public works and infrastructure assistance in regions experiencing adverse economic changes that may occur suddenly or over time.
Total Amount	\$1.5 billion
City Amount	Funds allocated by application
Allocation Formula	Application
Methodology on Receiving Funds from Responsible Agency	Application
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	9/30/2022
Appropriate Administrating City Department	Economic and Workforce Development Department (EWDD)
Eligible Uses for Funds Received by City	EAA program funds may be applied for to support projects that create jobs and economic prosperity. These funds are prioritized based on area-wide need and a project's ability to achieve the aims of the program.
How City Will Allocate Funds	TBD

Community Services Block Grant (\$1B)

Title	Community Services Block Grant
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Health and Human Services
Background/ Summary	\$1B to support projects such as addressing employment, education, better use of available income, housing, nutrition, emergency services and/or health through the end of FY 2021.
Total Amount	\$1 billion
City Amount	TBD
Allocation Formula	Funds will be provided to States based on formula. These funds are distributed as grant funds by a State to an eligible entity as provided under the Community Services Block Grant Act.
Methodology on Receiving Funds from Responsible Agency	Application
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	May 2020
Deadlines for Expenditures	Through Fiscal Year 2020-2021
Appropriate Adminstrating City Department	Housing and Community Investment Department
Eligible Uses for Funds Received by City	Support projects such as addressing employment, education, better use of available income, housing, nutrition, emergency services and/or health through the end of FY 2021.
How City Will Allocate Funds	TBD

Emergency Unemployment Insurance Stabilization and Access Act (\$1B)	
Title	Emergency Unemployment Insurance Stabilization and Access Act
Bill	Families First Coronavirus Response Act (H.R. 6201)
Responsible Agency	Department of Labor
Background/ Summary	Expands unemployment benefits and provides \$1B in 2020 for emergency grants to states for activities related to processing and paying unemployment insurance (UI) benefits related to COVID-19.
Total Amount	\$1 billion
City Amount	TBD
Allocation Formula	\$500M to States within 30 days of enactment (3/18/2020); remaining \$500M would be reserved for states in which the number of unemployment compensation claims has increased by at least 10% over the previous calendar year. To receive access to the second portion of the grant, states must, among other things, make it easier for individuals to obtain unemployment compensation by taking steps to temporarily ease eligibility requirements that are limiting access to UI during the COVID-19 outbreak, like work search requirements, required waiting periods, and requirements to increase employer UI taxes if they have high layoff rates.
Methodology on Receiving Funds from Responsible Agency	Endowment/ Application (see “Allocation Formula” above)
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	\$500M to States within 30 days of enactment (3/18/2020); remaining \$500M pending (see “Allocation Formula” above)
Deadlines for Expenditures	TBD
Appropriate Administrating City Department	TBD
Eligible Uses for Funds Received by City	Processing and paying unemployment insurance benefits related to COVID-19.
How City Will Allocate Funds	TBD

Dislocated Worker National Reserve (\$360M)	
Title	Dislocated Worker National Reserve
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Labor
Background/ Summary	\$360M in funding to help states and cities respond to workforce impacts and layoffs resulting from COVID-19. This includes \$15 million in funding for Program Management to implement the paid leave and emergency unemployment insurance stabilization activities.
Total Amount	\$360 million
City Amount	TBD
Allocation Formula	At the direction of the Department of Labor
Methodology on Receiving Funds from Responsible Agency	TBD
Limitations/ Repayment Obligations	TBD
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	9/30/2022
Appropriate Administrating City Department	TBD
Eligible Uses for Funds Received by City	“Necessary expenses” for the Dislocated Workers Assistance National Reserve
How City Will Allocate Funds	TBD

Financial Assistance to Fishery Participants (\$300M)	
Title	Financial Assistance to Fishery Participants
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Commerce
Background/ Summary	\$300M to provide direct financial assistance to all manner of fishers, fishery participants, and communities that have been affected by COVID-19.
Total Amount	\$300 million
City Amount	None; fund distributed to businesses by individual application.
Allocation Formula	By direction of the Department of Commerce
Methodology on Receiving Funds from Responsible Agency	Endowment
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	9/30/2021
Appropriate Administrating City Department	None; fund distributed to businesses by individual application.
Eligible Uses for Funds Received by City	Provide direct financial assistance to all manner of fishers, fishery participants, and communities that have been affected by COVID-19.
How City Will Allocate Funds	None; fund distributed to businesses by individual application.

Manufacturing Extension Partnership (\$50M)

Title	Manufacturing Extension Partnership
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Commerce
Background/ Summary	\$50M to be distributed among the 51 Manufacturing Extension Partnership (MEP) centers to help small and medium-sized manufacturers recover from the economic impacts of COVID-19. The bill also waives the statutory cost-match requirements for all FY 2020 funding.
Total Amount	\$50 million
City Amount	None; fund distributed to businesses by individual application.
Allocation Formula	By direction of the Department of Commerce
Methodology on Receiving Funds from Responsible Agency	Endowment
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	9/30/2021
Appropriate Administrating City Department	None; fund distributed to businesses by individual application.
Eligible Uses for Funds Received by City	Assist manufacturers to prevent, prepare for, and respond to COVID-19.
How City Will Allocate Funds	None; fund distributed to businesses by individual application.

EMERGENCY RESPONSE

Coronavirus Relief Fund (\$150B)	
Title	Coronavirus Relief Fund
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of the Treasury
Background/ Summary	\$150B for necessary expenditures incurred due to the public health emergency with respect to COVID-19.
Total Amount	\$150 billion
City Amount	TBD
Allocation Formula	Each state receives a prorated portion of \$139B, with a minimum of \$1.25B. 45% of total funding goes to “units of local governments” (500,000+ population). California is estimated to receive \$15.3B.
Methodology on Receiving Funds from Responsible Agency	Application for “units of local government,” then endowment of remaining funds to State. Governments must submit completed payment materials no later than 11:59 p.m. EDT on April 17, 2020.
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	Treasury will automatically award each state its share within 30 days of 3/27/2020. Qualifying “units of local government” (like the City), however, must apply to the Treasury to access their share of state funds. Any funding remaining once eligible localities have applied is awarded to the State.
Deadlines for Expenditures	12/30/2020
Appropriate Administrating City Department	Office of the City Administrative Officer
Eligible Uses for Funds Received by City	“Necessary Expenditures” related to COVID-19, incurred between 3/1/20 and 12/30/20
How City Will Allocate Funds	TBD

Disaster Relief Fund (\$45B)	
Title	Disaster Relief Fund
Bill	CARES Act (H.R. 748)
Responsible Agency	Federal Emergency Management Administration (FEMA)
Background/ Summary	\$45B for the Disaster Relief Fund for the immediate needs of state, local, tribal and territorial governments to protect citizens and help them respond and recover from COVID-19. The Disaster Relief Fund (DRF) is an appropriation against which FEMA can direct, coordinate, manage, and fund eligible response and recovery efforts associated with domestic major disasters and emergencies that overwhelm State resources. FEMA can fund authorized Federal disaster support activities as well as eligible State, territorial, tribal, and local actions, such as providing emergency protection and debris removal.
Total Amount	\$45 billion
City Amount	TBD
Allocation Formula	By direction of FEMA, based on areas of most need. \$25B will go to areas with major disaster declarations (including California).
Methodology on Receiving Funds from Responsible Agency	Reimbursement
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	TBD
Appropriate Adminstrating City Department	Office of the City Administrative Officer
Eligible Uses for Funds Received by City	Reimbursable activities may include medical response, personal protective equipment, National Guard deployment, coordination of logistics, safety measures, and community services nationwide.
How City Will Allocate Funds	TBD

CDC-Wide Activities and Program Support (\$2.2B)	
Title	CDC-Wide Activities and Program Support
Bill	Coronavirus Preparedness and Response Supplemental Appropriations Act (H.R. 6074)
Responsible Agency	Centers for Disease Control and Prevention
Background/ Summary	\$2.2B for State and local response measures, including surveillance, epidemiology, laboratory capacity, infection control, mitigation, communications, and other preparedness and response activities.
Total Amount	\$2.2 billion
City Amount	TBD
Allocation Formula	At least \$950M to States, localities, etc.,
Methodology on Receiving Funds from Responsible Agency	Application within 45 days of passage of Act (3/6/2020)
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	\$475M will be received within 90 days of passage of Act (3/6/2020)
Deadlines for Expenditures	9/30/2022
Appropriate Adminstrating City Department	TBD
Eligible Uses for Funds Received by City	Surveillance, epidemiology, laboratory capacity, infection control, mitigation, communications, and other preparedness and response activities
How City Will Allocate Funds	TBD

Emergency Food and Shelter Program (\$200M)

Title	Emergency Food and Shelter Program
Bill	CARES Act (H.R. 748)
Responsible Agency	Federal Emergency Management Agency (FEMA)
Background/ Summary	\$200M for the Emergency Food and Shelter Program. The Emergency Food and Shelter Program supplements and expands the work of local social service organizations, both non-profit and governmental, to provide shelter, food and supportive services to individuals and families who have economic emergencies.
Total Amount	\$200 million
City Amount	TBD
Allocation Formula	TBD
Methodology on Receiving Funds from Responsible Agency	TBD
Limitations/ Repayment Obligations	TBD
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	9/30/2021
Appropriate Administrating City Department	TBD
Eligible Uses for Funds Received by City	TBD
How City Will Allocate Funds	TBD

Emergency Management Performance Grants (\$100M)	
Title	Emergency Management Performance Grants
Bill	CARES Act (H.R. 748)
Responsible Agency	Federal Emergency Management Agency (FEMA)
Background/ Summary	\$100M for grants to states, local, tribal, and territorial emergency management agencies to implement the National Preparedness System, which supports coordination, communications, and logistics between jurisdictions.
Total Amount	\$100 million
City Amount	Funds allocated by Application
Allocation Formula	TBD
Methodology on Receiving Funds from Responsible Agency	Application
Limitations/ Repayment Obligations	TBD
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	9/30/2021
Appropriate Adminstrating City Department	Emergency Management Department
Eligible Uses for Funds Received by City	Activities related to further implementation of the National Preparedness System.
How City Will Allocate Funds	TBD

TRANSPORTATION

FTA Transit Infrastructure Grants (\$25B)	
Title	FTA Transit Infrastructure Grants
Bill	CARES Act (H.R. 748)
Responsible Agency	Federal Transit Authority (FTA)
Background/ Summary	\$25B for transit providers, which are primarily led by local governments across the country, for operating and capital expenses to stay operational during the crisis.
Total Amount	\$25 billion
City Amount	TBD
Allocation Formula	Funding will be distributed proportionally using existing FTA formulas - 5307 Urbanized Area Formula, 5311 Rural Formula, 5337 State of Good Repair Formula and 5340 Growing and High-Density States Formula.
Methodology on Receiving Funds from Responsible Agency	Endowment
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	Within 7 days of 3/27/2020
Deadlines for Expenditures	TBD
Appropriate Adminstrating City Department	METRO, Department of Transportation
Eligible Uses for Funds Received by City	Operating and capital expenses
How City Will Allocate Funds	TBD

FAA Airport Improvement Program (\$10B)

Title	FAA Airport Improvement Program
Bill	CARES Act (H.R. 748)
Responsible Agency	Federal Aviation Administration (FAA)
Background/ Summary	\$10B to maintain operations and respond to COVID-19 at our nation's airports.
Total Amount	\$10 billion
City Amount	TBD
Allocation Formula	Distributed by existing formulas.
Methodology on Receiving Funds from Responsible Agency	Endowment
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	TBD
Appropriate Administrating City Department	Los Angeles World Airports (LAWA)
Eligible Uses for Funds Received by City	Maintaining operations and response to COVID-19 at our nation's airports. These funds can be used for any purpose for which airport revenues may lawfully be used.
How City Will Allocate Funds	TBD

HOUSING AND HOMELESSNESS

Emergency Solutions Grant Program (\$4B)	
Title	Emergency Solutions Grant Program
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Housing and Urban Development (HUD)
Background/ Summary	For preventing, preparing for, and responding to COVID-19 among individuals and families who are homeless or receiving homeless assistance. These funds may be used to cover or reimburse allowable costs incurred by states/local governments to prevent, prepare for, and respond to COVID-19 incurred prior to enactment of this measure.
Total Amount	\$4 billion
City Amount	\$16,167,303 (as of 4/3/2020)
Allocation Formula	\$2B allocation by formula to current grantees within 30 days of enactment; and \$2B allocation by HUD to state and local governments based on a formula to be developed by the Secretary and such allocations shall be made within 90 days of enactment. This formula will be based on criteria regarding communities with the greatest needs such as risk of transmission, rates, and numbers of unsheltered and sheltered homeless populations, and economic and housing market conditions.
Methodology on Receiving Funds	Endowment
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	May 2020
Deadlines for Expenditures	9/30/2022
Appropriate Administering City Department	Housing and Community Investment Department (HCIDLA); Los Angeles Homeless Services Authority (LAHSA)
Eligible Uses for Funds Received by City	For preventing, preparing for, and responding to COVID-19 among individuals and families who are homeless or receiving homeless assistance and homelessness prevention activities, and may be used to cover or reimburse allowable costs incurred by states and local governments to prevent, prepare for, and respond to the COVID-19 incurred prior to enactment of this measure.
How City Will Allocate Funds	ESG funding is regularly transferred to LAHSA, per the Joint Powers Agreement with Los Angeles County.

Housing Opportunities for Persons with Aids (HOPWA) (\$65M)	
Title	Housing Opportunities for Persons with Aids (HOPWA)
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Housing and Urban Development (HUD)
Background/ Summary	\$65M for the HOPWA program, which serves low-income, HIV-positive individuals, who comprise a high-risk group for COVID-19 infection. Funds may be used to support short-term emergency rent, mortgage, and utility assistance services.
Total Amount	\$65 million
City Amount	\$2,883,240 (as of 4/3/20)
Allocation Formula	\$50M via the formula used in FY 20. Up to \$10 million can be used for one-time, non-renewable grants to permanent supportive housing providers, made proportionally to their existing grants.
Methodology on Receiving Funds from Responsible Agency	Endowment
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	May 2020
Deadlines for Expenditures	9/30/2021
Appropriate Administrating City Department	Housing and Community Investment Department (HCIDLA)
Eligible Uses for Funds Received by City	The funds may be used to cover rent, mortgage, and utility payments for up to 24 months. These funds are not to be used for permanent supportive housing, but may be used to help individuals isolate and self-quarantine or relocate to hotels. Up to 2% may be used to increase technical assistance.
How City Will Allocate Funds	TBD

Fair Housing Act Enforcement (\$2.5M)

Title	Fair Housing Act Enforcement
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Housing and Urban Development (HUD)
Background/ Summary	As the number of households around the country applying for rental assistance and unemployment benefits increases during this local emergency period, it is important that the City take necessary action to ensure that Fair Housing Act requirements are properly enforced.
Total Amount	\$2.5 million
City Amount	TBD
Allocation Formula	TBD
Methodology on Receiving Funds from Responsible Agency	TBD
Limitations/ Repayment Obligations	TBD
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	TBD
Appropriate Administrating City Department	Housing and Community Investment Department (HCIDLA)
Eligible Uses for Funds Received by City	TBD
How City Will Allocate Funds	TBD

Section 8 Tenant-Based Rental Assistance (\$1.25B)

Title	Tenant-Based Rental Assistance
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Housing and Urban Development (HUD)
Background/ Summary	\$1.25B for tenant-based rental assistance to help public housing agencies maintain normal operations and take other necessary actions to respond to COVID-19. Of this amount, \$850 million can be used for a combination of administrative costs and other expenses for activities including those to “support and maintain the health and safety of assisted households” and to retain and support participating landlords. The remaining \$400 million is to adjust renewal funding for public housing agencies that experience a significant increase in voucher per-unit costs and would otherwise need to terminate rental assistance for families due to a lack of funds.
Total Amount	\$1.25 billion
City Amount	TBD
Allocation Formula	These funds will be distributed based on need, as determined by the HUD Secretary.
Methodology on Receiving Funds	Endowment
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	No deadline
Appropriate Administering City Department	Housing and Community Investment Department (HCIDLA)
Eligible Uses for Funds Received by City	To help public housing agencies maintain normal operations and take other necessary actions to respond to COVID-19. Includes a combination of administrative costs and other expenses for activities to “support and maintain the health and safety of assisted households” and to retain and support participating landlords, and to adjust renewal funding for public housing agencies that experience a significant increase in voucher per-unit costs and would otherwise need to terminate rental assistance for families due to a lack of funds.
How City Will Allocate Funds	TBD

Section 8 Project-Based Rental Assistance (\$1B)

Title	Project-Based Rental Assistance
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Housing and Urban Development (HUD)
Background/ Summary	\$1B for project-based rental assistance to maintain normal operations and to take any other necessary actions during the period that the program is impacted by COVID-19. These funds will allow for the continuation of housing assistance contracts with private landlords for over 1.2 million Project-Based Section 8 households.
Total Amount	\$1 billion
City Amount	TBD
Allocation Formula	These funds will be distributed based on need, as determined by the HUD Secretary.
Methodology on Receiving Funds from Responsible Agency	Endowment
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	No deadline
Appropriate Administrating City Department	Housing and Community Investment Department (HCIDLA); Los Angeles Homeless Services Authority
Eligible Uses for Funds Received by City	These funds will allow for the continuation of housing assistance contracts with private landlords for over 1.2 million Project-Based Section 8 households.
How City Will Allocate Funds	TBD

Aging and Disability Services Programs (\$955M)

Title	Aging and Disability Services Programs
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Health and Human Services (HHS)
Background/ Summary	\$955M for HHS Administration for Community Living, Aging and Disability Services Programs, which includes funding to state and local governments for aging and disability services programs, such as senior nutrition; home and community-based supportive services; family caregivers; elder justice; and, independent living.
Total Amount	\$955 million
City Amount	TBD
Allocation Formula	At the direction of the HHS, under the authorizations of the Older Americans Act of 1965
Methodology on Receiving Funds from Responsible Agency	At the direction of the HHS, under the authorizations of the Older Americans Act of 1965
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	9/30/2021
Appropriate Administrating City Department	Department of Aging
Eligible Uses for Funds Received by City	\$820,000,000 shall be for activities authorized under the Older Americans Act of 1965 ("OAA"), including \$200,000,000 for supportive services under part B of title III; \$480,000,000 for nutrition services under sub-parts 1 and 2 of part C of title III; \$20,000,000 for nutrition services under title VI; \$100,000,000 for support services for family caregivers under part E of title III; and \$20,000,000 for elder rights protection activities, including the long-term ombudsman program under title VII of such Act.
How City Will Allocate Funds	TBD

Public Housing Operating Fund (\$685M)

Title	Public Housing Operating Fund
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Housing and Urban Development (HUD)
Background/ Summary	\$685M to provide housing stability for public housing residents with reduced income as a result of COVID-19 (the City has 6,500 public housing units). The fund will provide additional operating assistance to make up for reduced tenant rent payments, as well as to help contain the spread of COVID-19 in public housing properties.
Total Amount	\$685 million
City Amount	TBD
Allocation Formula	By normal Operating Fund formula
Methodology on Receiving Funds from Responsible Agency	Endowment
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	12/31/2020
Appropriate Administrating City Department	Housing Authority of the City of Los Angeles (HACLA)
Eligible Uses for Funds Received by City	Maintain normal operations and to take other necessary actions. The bill allows – through the end of the 2020 calendar year – for public housing agencies to combine its capital and operating funds, including some funds from past FYs, to respond to COVID-19. All public housing capital and operating funds (other than any amounts in prior appropriations acts that are set-asides) can be used flexibly for any eligible capital or operating fund activities and for other expenses related to COVID-19, including supporting the health and safety of residents and activities to support education and child care for impacted families.
How City Will Allocate Funds	TBD

Section 811 Housing for Persons with Disabilities (\$15M)

Title	Section 811 Housing for Persons with Disabilities
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Housing and Urban Development (HUD)
Background/ Summary	\$15M for very-low-income and extremely-low-income residents with disabilities. Funds could be used for rental assistance and health services.
Total Amount	\$15 million
City Amount	TBD
Allocation Formula	By normal Section 811 formula.
Methodology on Receiving Funds from Responsible Agency	Endowment
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	TBD
Appropriate Administrating City Department	Housing and Community Investment Department (HCIDLA), Department of Disability
Eligible Uses for Funds Received by City	Maintaining normal operations and assist owners or sponsors of Section 811 properties. This funding will make up for any reduced tenant payments as a result of COVID-19.
How City Will Allocate Funds	TBD

Section 202 Housing for the Elderly (\$50M)

Title	Section 202 Housing for the Elderly
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Housing and Urban Development (HUD)
Background/ Summary	\$50M in Section 202 funding, which could be used to provide rent subsidies and home rehabilitation services for very low-income elderly persons.
Total Amount	\$50 million
City Amount	TBD
Allocation Formula	By normal Section 202 formula.
Methodology on Receiving Funds from Responsible Agency	Endowment
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	9/30/2023
Appropriate Administrating City Department	Housing and Community Investment Department (HCIDLA), Department of Aging
Eligible Uses for Funds Received by City	The funds are to be used to prevent, prepare for, and respond to COVID-19. This includes funds to “maintain normal operations” and take “other necessary actions” and for “assistance to owners or sponsors” of the Section 202 program.
How City Will Allocate Funds	TBD

Native American Programs (\$300M)

Title	Native American Programs
Bill	CARES Act (H.R. 748)
Responsible Agency	Department of Housing and Urban Development (HUD)
Background/ Summary	\$300M available for Native American Programs. The funds can be used for services such as emergency shelter housing, employment assistance, and education.
Total Amount	\$300 million
City Amount	TBD
Allocation Formula	\$200 million is set aside for the Native American Housing Block Grants to maintain normal operations and fund eligible housing activities affected by COVID-19 This amount will be distributed according to the FY 2020 formula. Up to \$100 million is set aside for grants to Indian tribes under the Indian Community Development Block Grant program, to be used for imminent health and safety emergencies. These amounts will be disbursed at the discretion of the HUD Secretary.
Methodology on Receiving Funds from Responsible Agency	Endowment
Limitations/ Repayment Obligations	No repayment. No more than 20 percent of this amount will be used for planning and management development and administration.
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	TBD
Appropriate Administating City Department	Housing and Community Investment Department (HCIDLA)
Eligible Uses for Funds Received by City	Emergency Shelter Housing, Employment Assistance, Education
How City Will Allocate Funds	TBD

ARTS AND CULTURE

National Endowment for the Arts (\$75M)	
Title	National Endowment for the Arts
Bill	CARES Act (H.R. 748)
Responsible Agency	National Foundation On The Arts And Humanities
Background/ Summary	\$75M to state and local governments' arts agencies and non-profit arts organizations for operating expenses with matching requirements waived.
Total Amount	\$75 million
City Amount	TBD
Allocation Formula	40 percent of such funds shall be distributed to State arts agencies and regional arts organizations and 60 percent of such funds shall be for direct grants.
Methodology on Receiving Funds from Responsible Agency	Endowment and Application
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	9/30/2021
Appropriate Administrating City Department	Department of Cultural Affairs, El Pueblo Historical Monument
Eligible Uses for Funds Received by City	To prevent, prepare for, and respond to COVID-19, domestically or internationally, and maintain general operations.
How City Will Allocate Funds	TBD

National Endowment for the Humanities (\$75M)

Title	National Endowment for the Humanities
Bill	CARES Act (H.R. 748)
Responsible Agency	National Foundation for the Humanities
Background/ Summary	\$75M to state and local governments' humanities agencies and nonprofit humanities organizations for operating expenses with matching requirements waived.
Total Amount	\$75 million
City Amount	TBD
Allocation Formula	40 percent of such funds shall be distributed to State humanities agencies and regional humanities organizations and 60 percent of such funds shall be for direct grants.
Methodology on Receiving Funds from Responsible Agency	Endowment and Application
Limitations/ Repayment Obligations	No repayment
Timing of Receipt of Funds	TBD
Deadlines for Expenditures	9/30/2021
Appropriate Adminstrating City Department	Department of Cultural Affairs, El Pueblo Historical Monument
Eligible Uses for Funds Received by City	To prevent, prepare for, and respond to COVID-19, domestically or internationally, and maintain general operations.
How City Will Allocate Funds	TBD

ATTACHMENT 2

SUMMARY OF STATE FUNDING AND EXECUTIVE ORDERS

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STATE EMERGENCY FUNDING

Title	SB 89 (Signed by Governor)
Responsible Agency	Director of Finance and the Joint Legislative Budget Committee
Background/Summary	Response to COVID-19 pandemic Governor's Office has listed the following planned uses: - Increase hospital bed capacity and purchase medical equipment to combat the coming surge in COVID-19 patients; - Protect hospitals, nursing homes, and other facilities most vulnerable to COVID-19 spread; - Provide life saving services to Californians isolating at home; - Support local government to reduce the spread of COVID-19 in homeless populations and provide safe beds for people experiencing homelessness; and - Provide funding to clean child care facilities that remain open.
Total Amount	\$500M, can be increased in \$50M increments until \$1B by Joint Legislative Budget Committee

Title	Emergency Fund Allocation 1 – Homeless Services
Responsible Agency	Director of Finance and the Joint Legislative Budget Committee
Background/Summary	First allocation provided as part of the State Package
Total Amount	\$150M
Total Amount Breakdown	\$100M to local governments \$50M to purchase trailers and lease rooms in motels and other facilities
City Amount	LA CoC: \$10,963,460.30 City of LA: \$19,335,937.59 LA County: \$10,567,011.44M
Allocation Formula	Awards determined by the Business, Consumer Services and Housing Agency's Homeless Coordinating and Financing Council. LAHSA previously provided an estimate based on the Homeless Housing and Assistance Prevention Program (HHAPP) formula.

Title	Emergency Fund Allocation 2 – Medical Services
Responsible Agency	Director of Finance and the Joint Legislative Budget Committee
Background/Summary	The second allocation of the \$500 million made available through SB89
Total Amount	\$42M
City Amount	\$30M to lease Seton Medical Center in Daly City and St. Vincent Medical Center in Los Angeles
Allocation Formula	- \$30M to lease hospitals; - \$1.42M to expand capacity of State's public health lab in Richmond; - \$8.647M to purchase new ventilators, IV fusion pumps, and refurbish additional ventilators; - \$2M to contract with American Medical Response to provide patient transportation.

Title	Emergency Fund Allocation 3 – Safety Net Programs
Responsible Agency	Director of Finance and the Joint Legislative Budget Committee
Background/Summary	The third allocation of the \$500 million made available through SB89
Total Amount	\$111M
City Amount	N/A
Allocation Formula	- \$41M for the temporary COVID-19 related relocation of residents of adult and senior care facilities; - \$20M to contract with food providers to mitigate increases in food needs among low-income and food-insecure populations; - \$5.04M (plus expected federal match) for counties to conduct wellness checks for In-Home Supportive Services recipients and other older Californians; - \$24.29M to counties for increased CalFresh administrative workload; - \$7.98M to counties for increased CalWORKs administrative workload; and - \$12.73M (plus expected federal match) to counties for increased Medi-Cal eligibility workload.

STATE EXECUTIVE ORDERS / ACTIONS

Housing	
Executive Order N-37-20	Authorizes local governments to halt evictions for renters and homeowners, slows foreclosures, and protects against utility shutoffs for Californians affected by COVID-19. The order does not relieve a tenant from the obligation to pay rent or restrict the landlord's ability to recover rent that is due. The protections are in effect through May 31, 2020, unless extended. The order also requests banks and other financial institutions to halt foreclosures and related evictions during this time period.

Economic Development / Small Business Assistance	
Executive Order N-28-20	Allows local governments to halt evictions for renters and homeowners, slows foreclosures, and protects against utility shutoffs for Californians affected by COVID-19.
Executive Order N-31-20	Eases restrictions on commercial drivers engaged in support of emergency relief efforts. The order also suspends existing law for employers directly impacted by COVID-19 and directs the Labor and Workforce Development Agency to provide guidance to impacted employees.
Executive Order N-40-20	Allows the California Department of Tax and Fee Administration (CDTFA) to offer a 90-day extension for tax returns and tax payments for all businesses filing a return for less than \$1 million in taxes. The order additionally extends the statute of limitations to file a claim for refund by 60 days to accommodate tax and fee payer and includes extensions that impact State government workers, as well as consumers. The order also extends several other deadlines related to taxes, fees, compliance requirements, and administrative matters.

Homelessness	
Executive Order N-32-20	Provides flexibility to local governments to spend their emergency homelessness funding on immediate solutions tailored to combatting COVID-19 and its impacts on the homeless population. The order also waives certain regulatory barriers for any shelters or facilities built with this emergency funding.

Worker Protections	
Executive Order N-25-20	Waives the one-week waiting period for people who are unemployed and/or disabled as a result of COVID-19; Delays the deadline for State tax filing by 60 days for individuals and businesses unable to file on time based on compliance with public health requirements related to COVID-19 filings; Directs residents to follow public health directives and guidance, including to cancel large non-essential gatherings that do not meet State criteria; Readies the State to commandeer property for temporary residences and medical facilities for quarantining, isolating or treating individuals; Allows local or State legislative bodies to hold meetings via teleconference and to make meetings accessible electronically; and Allows local and State emergency administrators to act quickly to protect public health.

Healthcare	
Executive Order N-27-20	Directs State agencies to focus on protecting the health and safety of the most vulnerable in licensed facilities.
Executive Order N-35-20	Expands the State's response to the COVID-19 outbreak. The order gives the State the ability to increase the health care capacity in clinics, mobile health care units and adult day health care facilities. It also allows local governments more flexibility to utilize the skills of retired employees and reinforces the importance of the delivery of food, medicine and emergency supplies.
Executive Order N-39-20	Temporarily expands the health care workforce and allow health care facilities to staff at least an additional 50,000 hospital beds the State needs to treat COVID-19 patients.
Executive Order N-43-20	Expand protections to medical providers as they amplify the use of video chats and similar applications to provide routine and non-emergency medical appointments in an effort to minimize patient exposure to COVID-19. The order relaxes certain State privacy and security laws for medical providers, so they can provide telehealth services without the risk of being penalized.

Education	
Executive Order N-26-20	Ensures California public school districts retain State funding even in the event of physical closure. The order directs school districts to use those State dollars to fund distance learning and high quality educational opportunities, provide school meals and, as practicable, arrange for the supervision for students during school hours. School districts must continue delivering educational opportunities to students through other options, such as distance learning and independent study; safely provide school meals through the Summer Food Service Program and Seamless Summer Option, continue to pay employees; and to the extent practicable, arrange for supervision for students during ordinary school hours.
Executive Order N-30-20	Waives this year's Statewide testing for California's more than 6 million students in K-12 schools, pending federal approval.

Administrative	
Executive Order N-34-20	Permits vote-by-mail procedures to be used in three upcoming special elections, protecting public health and safety during the COVID-19 outbreak. The order also extends the deadlines for ballot counting, tabulation, and other responsibilities related to the official canvass of California's Presidential Primary Election that could risk undermining social distancing measures, and suspends the timeframes for public hearings required by political subdivisions that are in the process of changing from an at-large method of election to district elections.
Executive Order N-36-20	Directs the California Department of Corrections and Rehabilitation (CDCR) Secretary to temporarily halt the intake and/or transfer of inmates and youth into the State's 35 prisons and four youth correctional facilities. Those inmates and youth will remain in county custody for the next 30 days.
Executive Order N-38-20	Empowers the Judicial Council and the Chief Justice of the California Supreme Court to take necessary action to be able to conduct business and continue to operate while responding to the COVID-19 pandemic. The order does not affect any existing court order or rule. The order also leaves the Judicial Branch discretion to make any modifications to legal practice and procedure it deems necessary in order to continue conducting business.
Executive Order N-41-20	Facilitates expenditures from the State's Disaster Response-Emergency Operations Account (DREOA), a subaccount of the Special Fund for Economic Uncertainties in the General Fund – the State's traditional budget reserve – as well as from any other legally available fund to help with the COVID-19 response. At the Governor's direction, on March 25, 2020, the Department of Finance transferred \$1.3 billion from the Special Fund for Economic Uncertainties, the State's traditional budget reserve, into the DREOA subaccount in preparation to pay for costs associated with the response to the COVID-19 pandemic. With this transfer and the \$99 million available balance, a total of \$1.4 billion is now available in DREOA.

Relief for Families	
Executive Order N-29-20	Waives eligibility re-determinations for 90 days for Californians who participate in: Medi-Cal health coverage, CalFresh food assistance, CalWORKS, Cash Assistance for Immigrants, and In-Home Supportive Services. The change will allow current recipients of these safety net programs to continue receiving them without interruption.
Executive Order N-44-20	Expands consumer protection against price gouging as California continues to respond to the COVID-19 pandemic. The order generally prohibits sellers of any kind from increasing prices on food, consumer goods, medical or emergency supplies, and certain other items by more than 10 percent. The order also gives additional tools to the California Department of Justice and Attorney General's Office, among others, to take action against price gougers.
Executive Order N-42-20	Restricts water shutoffs to homes and small businesses while the State responds to the COVID-19 pandemic. The order protects consumers who may not be able to pay for their water service from shutoffs. Already, over 100 public and private water systems across California have voluntarily suspended water shutoffs for non-payment as a result of COVID-19. Under the order, the State Water Resources Control Board will issue best practices and guidelines on support for the State's water systems during this time.
Executive Order N-45-20	Facilitate child care for children of essential critical infrastructure workers by allowing the California Department of Education and California Department of Social Services the flexibility to waive certain programmatic and administrative requirements in response to the COVID-19 pandemic.

Other Actions	
Governor's Financial Package	Financial protections negotiated by Governor Newsom with financial institutions including Citigroup, JPMorgan Chase, U.S. Bank, and Wells Fargo. Financial institutions will offer the following relief for individuals affected by COVID-19: 90-Day Grace Period for Mortgage Payments No Negative Credit Impacts Resulting from Relief Moratorium on Initiating Foreclosure Sales or Evictions for at least 60 days Relief from Fees and Charges for at least 90 days
Judicial Council	Adopted an emergency court rule that effectively stops all evictions, other than those necessary to protect public health and safety, for the duration of the COVID-19 emergency. The rule is applicable to all courts and to all eviction cases, whether they are based on a tenant's missed rent payment or another reason. This new court rule will apply until 90 days after the Governor lifts the state of emergency related to the COVID-19 pandemic, or until it is amended or repealed by the Judicial Council.